# Department of Human Services

## Articles in Today's Clips Tuesday, March 6, 2007

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Prepared by the DHS Office of Communications (517) 373-7394



<u>TOPIC</u>	PAGE
Child Abuse/Neglect/Protection	2-8
Day Care	9
Juvenile Justice	10
Domestic Violence	11
Vulnerable Adults	12
Paternity	13
Food Assistance	14-15
DHS Employees	16
Budget	17-22

\*Important story at this spot



Kids on the move; hearing is set today

March 6, 2007

BY AMBER HUNT and JACK KRESNAK

#### FREE PRESS STAFF WRITERS

The Child Protective Services division of the Macomb County Department of Human Services is expected to file a petition in the county's juvenile court today asking a judge to take legal jurisdiction over the two children of Stephen and Tara Lynn Grant.

A hearing is to be held at 3 p.m. to determine whether the petition will be authorized, according to a county official familiar with the plan. The official spoke on condition of anonymity because the official is not authorized to speak about the Grant case.

After spending three nights with their father's sister and brother-in-law, the Grant children -- a 6-year-old girl and 4-year-old boy -- were picked up late Monday by Tara Grant's sister, Alicia Standerfer, 32, of Ohio.

The children were bundled in winter clothes in the backseat of Standerfer's car. A reporter could see Standerfer, whose husband was driving, turn around to speak to the children, who peered out the car's rear windows.

The car was escorted out of the subdivision by Sterling Heights police.

Stephen Grant's sister and brother-in-law -- Kelly and Chris Utykanski -- live in a subdivision off Schoenherr. They declined to comment after police and the Standerfers left at 6:30 p.m.

Sheriff's deputies were able to trace Stephen Grant's location Saturday after he called his sister and the family reported the phone call to the police.

The Utykanskis told the Free Press during the weekend that as far as the children knew, their mother was still missing and their father was on a trip.

The petition does not necessarily mean that the Department of Human Services wants to change custody of the children or place them into foster care, the official said.

But it is likely that the department will ask a judge to terminate Stephen Grant's parental rights, given reports that he has confessed to killing and then dismembering his wife while the children were home.

A similar petition was filed in Oakland County Family Court in 2004 even before Mark Unger was charged with killing his wife during a vacation trip in northern Michigan in 2003. A judge allowed Unger of Huntington Woods to have supervised visits with his sons until he was officially charged with the murder of his wife, Florence Unger.

Unger was convicted of first-degree murder and is serving a sentence of life in prison without parole. His parental rights were terminated by a family court judge in December.

Contributions to a fund for the Grant children can be made to: Warren Bank, 38880 Garfield Road, Clinton Township 48038-3430. For details, call 586-416-1650. Contact **JACK KRESNAK** at 313-223-4544.

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Return to regular web page



This is a printer friendly version of an article from **The Detroit News**To print this article open the file menu and choose Print.

March 6, 2007

## Who will care for Grant children?

At hearing, state to look at whether dad neglected kids

#### Kim Kozlowski and Oralandar Brand-Williams / The Detroit News

The Michigan Department of Human Services is expected to file a petition today aimed at bringing Stephen Grant's children into state custody and finding relatives to legally care for them.

A Macomb County family court hearing will be at 3 p.m. to determine whether enough evidence shows Grant neglected his two children after killing their mother, Tara.

On Monday, after a short stay with Kelly Utykanski, Stephen Grant's sister, the children, ages 6 and 4, were removed from her home at 5 p.m. under court order.

The children were temporarily placed with Alicia Standerfer, Tara's sister.

"They were OK," Utykanski said. "They just know they are staying with Aunt Alicia."

Standerfer could not be reached for comment Monday night.

Utykanski said she broke the news to the children Monday that their mother was dead.

"We just told them that their mom has passed away," said Utykanski. Utykanski, 39, said she will seek custody.

"I hope the judge will look at the facts," she said. "We want him to look at everything fairly. We didn't do anything wrong; that was my brother, that wasn't me."

If she is granted custody, she said, she will make sure relatives have access to the children.

"We would never deny them any visitation," she said.

Officials typically convene a family meeting to try to reach a consensus on who is the best person to care for the children, according to Steve Yager, director of the Office of the Family Advocate.

If the children were already placed with relatives, the department would investigate any allegations of neglect or abuse against them.

Absent those allegations, the children would likely remain with those relatives.

It was unclear whether the department would seek to terminate Grant's parental rights, according to John J. Kennedy, the Macomb family court referee.

Detroit News Staff Writer Robert Snell contributed to this report.

#### How to help

A trust fund has been set up for the two Grant children. Mail contributions to: Warren Bank 38880 Garfield Clinton Township, MI 48038

Return to regular web page





## Friend charged in overdose death of girl, 13

Tuesday, March 06, 2007

By Theresa D. Mcclellan

#### The Grand Rapids Press

HASTINGS -- Nearly a year after a 13-year-old Shelbyville girl died of a drug overdose, authorities have charged a 15-year-old former classmate with giving her the pills that caused her death.

Susan Falvo, 15, is charged with delivery of a controlled substance causing death. She also is accused of possessing methadone, vicodin and marijuana.

Two of those prescription drugs -- methadone and vicodin -- were found in the body of Falvo's friend, Lexy Purdum, when she died in her home May 6.

After a lengthy state police investigation, Falvo was charged in Barry County Juvenile Court on Feb. 20. Initially released to her parents' custody, Falvo, also of Shelbyville, was back in court Monday on reports she violated the terms of her release by drinking and missing school. She now remains jailed in the county's juvenile detention center.

Barry County Prosecutor Tom Evans said by charging Falvo in juvenile court, he hopes to save her from Purdum's fate. Being charged as a juvenile also could spare her the prospect of a lengthy prison sentence.

A conviction as an adult for the drug delivery charge would carry a possible punishment of life in prison.

"No one is going to prison for a number of years," Evans said. "Our goal is to have this person not wind up like Lexy. We are just trying to do our best to intervene."

If Falvo is convicted, she could become a ward of the court, be placed on intensive probation or be put into some type of residential treatment facility.

"I hope I don't seem too grim here, but they're little kids and this is awful," Evans said.

Evans said Falvo "has a problem with drugs and that is the main reason we're pursuing this case."

He said listening to the 911 calls made when Purdum's family discovered the eighth-grader's body were sobering.

"I know I only experienced a tiny, tiny portion of what Lexy's folks had to deal with. It was really heartbreaking to listen to the 911 call and read the autopsy and think of this 13-year-old girl on a metal slab, and we don't want that to happen," Evans said.

Lexy Purdum, a student at Delton Kellogg Middle School, died three days shy of her 14th birthday. At the time, her family said the teen was recovering from a yearlong battle with drugs. The day before her death, she went on a shopping trip. When she came home, family members said, she showed signs of using drugs. Her mother, Valerie Purdum, went to awaken her around 12:30 p.m. the following day and found her dead.

"She took vicodin and methadone pills and she had a very high level of methadone in her body at the time she died," Evans said. Purdum died of a "mixed-drug intoxication," according to her autopsy report, police said.

When he became prosecutor last fall, Evans said, he discovered the state police investigation into her death still had some loose ends. Authorities at the Hastings post finished their work in December.

He described Purdum as a girl who "seemed to have a wide-open future. She was intelligent, creative and this is terribly sad."

Neither Purdum nor Falvo had court records. Their families could not be reached for comment.

Send e-mail to the author: tmcclellan@grpress.com

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Print version Page 1 of 2



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## Special precautions taken with children living in meth

Print Page

By Corky Emrick Sturgis Journal

Those that are addicted to methamphetamine have one thing on their minds: getting more meth.

They forget about their families and forget about their children. They try to conceal drugs around their children's belongings, believing police won't search in those areas.

Children are in danger of health risks as well. The same fumes that kill tree foliage and contaminate homes are being inhaled by children in homes where meth is produced.

Trauma during a search

When a home is raided, police officers are confronted with removing children from their them out of bed.

prepare to search a home, care for Journal children who may be present is a priority.

In a meth lab that was recently found in a home, police unocovered meth components in homes, sometimes having to take a tube of child building blocks. Children who live in homes where methamphetamine is used and produced face special concerns, When local narcotics investigators caseworkers and police say. Corky Emrick /

"In the planning phase, we talk about what we're going to do with the kids,†St. Joseph County Area Narcotics Unit Investigator Dave Alli said. "Most of us have kids, and the first thing we want to do is get them out of that environment.â€

As officers search a home, children are moved to a safe room with an officer and, if possible, a parent.

Alli said that helps to calm a child, even if the parent is going to jail.

"We don't like to handcuff or arrest a parent in front of their kids,†Alli said. "We tell them were going outside to â€~talk.'â€

From that point onward, the child's world is turned upside down.

As part of their investigation, officers contact the Department of Human Services and ask that a caseworker respond to the home and remove the children.

Removing the children

When an on-call caseworker is notified, they get some general information and family history.

Thin they must get an order from the court to take custody of the children and remove them from the home.

"We may have to give sworn testimony over the phone and then make arrangements to pick up the order that is faxed to us,†a caseworker said.

With order in hand, the caseworker then calls emergency foster homes. These are families that will take a child any time.

Currently, there are between five and 10 such emergency homes in the county.

The hardest thing is telling the child that they can't go back into the house.

"Asking them to leave with just what they have on is tough,†the caseworker said. "If they a favorite blanket or stuffed animal, it has to be left. Everything in that house is contaminated.â€

Once removed from the home, the child is taken to a local hospital and examined.

The caseworker caries a bath-in-a-bag, along with bags that are age- and sex-specific, some with stuffed animals.

Well-being for all

Even with all the care authorities take, they can't take away the trauma.

"They are stunned,†the caseworker said. "They've been living with this and then to find out it's wrong.â€

Children are full of questions that can't all be answered.

倜'What's going to happen to us now? What's going to happen to my mommy and daddy?候å€ the case worker said. 倜Then they ask if they can go with their mom or dad and we have to tell them no.â€

Law requires that there is an emergency hearing within 24 hours of a child's removal.

This hearing can be held seven days a week.

 $\hat{a}$ €œThis determines what happens to the kids. Do they stay in foster home, go to a relative or back to the parents? $\hat{a}$ € the caseworker said.

Being a caseworker is a stressful position.

"We look out for the kids and ourselves,†the caseworker said.

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## ANN ARBOR NEWS

## Child sex abuse trial begins for Gourlay

Defense challenges reliability of witness in opening statement

Tuesday, March 06, 2007

BY ART AISNER

## **News Staff Reporter**

Chelsea area native Ken Gourlay cast a web of deceit, manipulation and wanton sexual gratification that lured teenagers into an underworld of cyberporn, prosecutors said Monday at the start of his long-awaited trial on child sex abuse and assault charges.

Gourlay, now 29, used a combination of cunning charm and Internet savvy to target at-risk youths, Special Assistant State Attorney General Douglas Baker told a Washtenaw County Circuit Court jury. Gourlay exploited the youths to become sex objects for men around the world willing to pay for exclusive online memberships, Baker said.

James Howarth, Gourlay's attorney, said it is the state's key witness, not Gourlay, who is manipulating authorities at the state and federal levels. That witness, Justin Berry, gained national notoriety by addressing the U.S. Congress on the topic and by appearing on national television to discuss his ordeal last spring, attorneys said in their opening statements Monday.

Gourlay, a University of Michigan graduate, is charged with one count of third-degree criminal sexual conduct, a 15-year felony, for luring Berry, then 13, to Ann Arbor for a U-M computer camp in 2002 and allegedly assaulting him in his apartment.

Gourlay also faces nine other felony charges, including two counts each of enticing a child to engage in sexually abusive activity and using a computer to engage in child sexually abusive activity - all 20-year felonies.

Baker cautioned the jury not to get absorbed in the technology surrounding the case, but to focus on how computers and the Internet's wide reach were used as tools for profit and exploitation.

"Though on one level the case is about computers ... underneath it all is an age-old human drama that will be played out in this case," Baker said.

He described Berry's transformation from a curious California youth to an abused, malnourished teenager hooked on heavy drugs and the steady stream of cash generated by sex performances that Berry recorded at his home with a webcam he received as a free promotion.

Howarth, however, painted a darker picture of Berry. He said Berry made a small fortune operating his own Internet pornography business and avoided the IRS. He also accused Berry of credit card fraud, insurance fraud, and arson, for which he received immunity before talking to a congressional committee.

Other key witnesses include two Michigan youths whom Gourlay also tried to exploit, according to prosecutors, and Kurt Eichenwald, the former New York Times reporter who tracked down Berry and exposed his story in award-winning articles published in December 2005.

Howarth said Gourlay will likely take the witness stand later this week.

Art Aisner can be reached at aaisner@annarbornews.com or 734-994-6823.

<<Back



## **Local Daycare Lawsuit Settled**

March 5, 2007 11:49 AM EST

A lawsuit filed by the State Department of Environmental Quality against a day care in Grand Ledge is now settled. The DEQ filed the lawsuit against Kids University Child Care in 2005. It alleged the day care did not take appropriate action after the DEQ found e-coli in the water supply.

As a result of the settlement, the day care will no longer use ground water for drinking. They may only use bottled water. Kids University must also properly close and abandon a water well located on the property and pay a \$6,000 fine.



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## Scrutiny returns to juvenile center

Escapes lead to state investigation

March 6, 2007

BY STEVE NEAVLING

#### FREE PRESS STAFF WRITER

The state is investigating the Macomb County Juvenile Justice Center for the seventh time in less than two years after three teenagers fled detention last week.

Previous violations at the Mt. Clemens center have ranged from inadequate supervision to forcing juveniles to sleep on the floor because of overcrowding.

Now the Department of Human Services is trying to determine how the three juveniles fled a center that is supposed to be secure. A 10-year employee accused of breaking rules and allowing the escape is on paid leave pending a separate investigation.

"We are very concerned when a youth escapes from a facility, and we are taking this very seriously," department spokeswoman Maureen Sorbet said Monday.

Jordan Danski's escape last week was his second. The state cited the center for poor supervision when Danski escaped with three other juveniles in May 2005.

Two months later, staff failed to prevent two girls from having sexual contact several times, the state concluded, citing the center again for poor supervision.

In July 2006, the center was so crowded that some girls slept on mattresses on the floor, records showed. The center has since added 40 beds and has plans for 20 more.

In June 2006, a juvenile claimed someone on the staff stole her attention-deficit disorder drugs. Although the state said it couldn't conclude who took the drugs, it found too many staff members had access to the medication.

The center's director, Charles Seidelman, said all the violations were quickly corrected.

"We take them all seriously, but they are not of the magnitude where the state would consider revoking our license," Seidelman said.

County Commissioner Keith Rengert, chairman of the Justice & Public Safety Committee, which oversees the juvenile center, said violations are bound to occur at any facility.

"These are the most difficult children in the county, and if you put them all together, incidents do happen," Rengert said. "With the staff and administration we have, if we are not a model program in the state soon, we should be."

Contact STEVE NEAVLING at 586-469-4935 or sneavling @freepress.com.

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## ANN ARBOR NEWS LETTERS

Tuesday, March 06, 2007

## **Tethers for criminals**

## only a first step

I applaud The Ann Arbor News for highlighting the problem of domestic violence through the Feb. 22 editorial on GPS-enabled tethers. Community actions to safeguard survivors of domestic violence or sexual assault are important. However, SafeHouse Center's long experience working with survivors has shown that actions must be based on two realities: First, all survivors deserve protection regardless of whether they had been assaulted once or multiple times. Second, perpetrators of these crimes are very aware of what they are doing and when they are doing it - perpetrators are not emotionally unstable. They have a learned behavior that can be unlearned, they do not have a mental illness. Tethers are a first step, and used without accountability measures will not stop their battering behavior and should not replace incarceration. A tether will only change batterer's actions for a short time, and after it is removed, they will continue to pursue and further endanger the very person the tether was intended to protect.

All batterers and rapists must be held accountable for their abusive behavior, meaning that they own up to what they did, in detail, without minimization, and take moral, civic and economic responsibility for their actions. Communities must hold batterers accountable, require long-term intervention programs, and stand up to say that domestic violence and sexual assault will not be tolerated.

Call 911 if you or someone else is in danger. Call us at 734-995-5444 if you need help or to get involved toward ending domestic violence and sexual assault.

Barbara A. Niess, Willis

The writer is executive director of SafeHouse Center, an Ann Arbor nonprofit organization.

Return to regular web page



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March 6, 2007

## Caregiver charged in death

Group home worker faces abuse, manslaughter allegations after resident dies while under his care.

#### Norman Sinclair / The Detroit News

**DETROIT** -- John Cain Washington of Inkster was charged Monday with two counts of involuntary manslaughter in the death of a resident of the Dearborn adult group home where he worked.

Wayne County Prosecutor Kym L. Worthy also charged Washington, 40, with second-degree vulnerable adult abuse in the death of 38-year-old Marty Mauricio on Aug. 22 in the Life Center Group Home on Outer Drive in Dearborn. Mauricio was found unresponsive and was taken to Oakwood Hospital, where he was diagnosed with a broken neck. Authorities believed at the time that the injury was suffered in a fall. He died Nov. 18.

Worthy said further investigation by the Dearborn Police, led by Detective Sgt. Mike Sabo, turned up allegations that Washington may have pushed Mauricio. The involuntary charges carry maximum penalties of 15 years in prison. The adult abuse charge is punishable by up to four years in prison.

"Families who make the difficult decision to place their loved ones in nursing care, adult foster care or senior care have the absolute right to expect that these vulnerable adults will be safe," Worthy said. "What happened in this case is a strong wake-up call for all of us." Washington was arraigned Monday afternoon in 19th District Court in Dearborn.

Judge William Hultgren set personal bond at \$25,000 and ordered Washington to appear for a preliminary examination March 13. You can reach Norman Sinclair at (313) 222-2034 or nsinclair@detnews.com.

Return to regular web page



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Published March 5, 2007

## Supreme Court declines to hear case of father seeking paternity

Midday update

## **Associated Press**

WASHINGTON - The Supreme Court declined Monday to hear a Van Buren County man's attempt to sue to make a court declare him the biological father of a young boy - even if he's listed as the father on the child's birth certificate.

The court, issuing its order without comment, declined to consider a ruling by the Michigan Supreme Court last year that barred Michael Barnes Jr. of Gobles from filing suit because the child was conceived when the mother was married to another man. Under Michigan law, a husband is presumed to be the legal father if a baby is conceived during a marriage.

Barnes had lived with the child's mother, Kim Jeudevine of Kalamazoo, and helped raise the child for more than four years until 2003, when their relationship ended.

Jeudevine had given birth to the boy four months after her divorce from another man, James Charles III of Paw Paw. A birth certificate identifies Barnes as the child's father, and Jeudevine also signed an affidavit of parentage the day after the birth saying Barnes was the father.

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[Back]



03/06/2007

## Confronting need: New food bank opening

By Josh Grosteffon



Daily News photos/KEVIN BENEDICT

Holly Swarthout of Sanford sits with children Elisabeth, 3, left, and Timothy, 2, at the new food bank on Haley Street this past week during preparations for its opening. Swarthout, a volunteer, said her family needed assistance in the past when her husband was laid off and they had to support seven children. "I'm extremely excited to give back," Swarthout said.

Gary Tussey set his goal high for the new food bank that he recently opened in Midland – he wants to feed 1,000 families a month in the mid-Michigan area.

But his mission goes beyond feeding. He wants to provide outreach and life skills to those in need, and be a shoulder to lean on in tough

Tussey and volunteers spent last week preparing for an inspection on their agency, the Let's Eat! Food and Domestic Needs Subsidy. Now, organizers are working on putting their mission into action. They are a partner agency of the Food Bank of Eastern Michigan.

"It's just a bigger picture than, 'There's an empty plate, let's fill it," Tussey said.

The idea came about through a congregation Tussey and his wife Julie pastor at the Holiday Inn, the Voice of the Redeemed. He saw families trickling in who were struggling.

"A common strand with them is a house full of lack," Tussey said. With that comes depression.

He said they tried to help all they could, but it wasn't enough. So, this blossomed into Let's Eat, a spinoff of their congregation.

Let's Eat volunteer Holly Swarthout of Sanford experienced this need firsthand when her husband had no work because of a seasonal slowdown in the construction business.

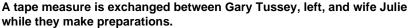
"When he's been laid off, we have used the resources of food banks in the past," she said. Now, she'll be able to return the favor.

But the Tusseys, co-directors of the food bank, and volunteers won't just be feeding the hungry. They also want to provide followup programs and seminars to help people learn how to take care of themselves and their families, and also find work.

"We are not content in just handing out food; we have an extensive follow-up program to help young mothers cook, cook healthy, care for infants," Tussey said. He compares the classes to home economics.

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Swarthout sees this as an outreach method to help people develop a relationship with God and be a shoulder for needy people.

"I'll be in a position that I can encourage a person that this is not it, you can get through this," she said.

Starting out an agency like this has its difficulties. The Tusseys have depleted their personal resources starting things up and are working on sponsorships and looking to the community for help. They need things such as desks and supplies for their offices and freezers for storage.

They hope to start distributing food in a week, Tussey said, and are stocking the bank tomorrow.

To donate to the program, contact Let's Eat at 877-563-1228 or at PO Box 2303, Midland, MI 48641. The Tusseys can be reached electronically at <u>garyandjulietussey@vorglobal.org</u>. The agency is located at 715 Haley St. in Midland.

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#### **Back**

Article published Mar 6, 2007 B.C. man earns 'Star' award for work in Department of Human Services Submitted by Department of Human Services

Battle Creek resident Harvey Hansen is one of six Michigan Department of Human Services employees from around the state named winners of a "Star" award for their participation in the Weatherization Day Team.

"The DHS Weatherization Day Team organizes Michigan's Oct. 30 annual celebration," said Department of Human Services Director Marianne Udow. "The event raises public awareness about the benefits of the weatherization program and how it can reduce energy bills by 25 percent each year."

Weatherization Day is officially recognized by the U.S. Department of Energy on Oct. 30.

The "Star" awards are given to DHS employees and teams from around the state for their good work, teamwork and quality service. The team members received their award alongside two other teams and five individual employees receiving awards during a Feb. 27 event in Lansing.

Team members are:

1 Diane Holley from Lansing.

1 Marcia Ferris from St. Joseph.

1 Russ Glasgow of Caro.

1 Harvey Hansen from Battle Creek.

1 Jim Smith of Manistee.

1 Carol Maddox from Fowler.

The Star Award program is an annual employee recognition program started in 2007. Award winners were nominated by peers and/or managers and were selected through a regional process.

For more information on the Department of Human Services, go to <a href="www.michigan.gov/dhs">www.michigan.gov/dhs</a>.

## WITH AUDIENCE AGAINST CUTS, GRANHOLM ARGUES FOR TAX

With audience members at her first live televised town hall meeting saying they did not want to make major cuts to basic budget areas, Governor Jennifer Granholm said the only way for the state to get through its current fiscal crisis is through a program that raises revenues along with making budget cuts and restructuring government.

"We're going to be more than all right" Ms. Granholm said of Michigan's future, "but right now the decisions are crucial."

Acknowledging that no one likes to see tax increases, Ms. Granholm asked repeatedly if individuals were willing to cut education or other programs in order to keep the state's budget balanced.

She even referenced one of the most infamous criminal cases in the state's recent history, referring to the murder of 7-year-old Ricky Holland and saying the state had already lost several thousand human service workers who help watch over children in the foster care system. She said making more cuts would only add more pressure on those services.

Ms. Granholm spoke before a group of some 50 people at a school in Mundy Township for the event that was televised by Flint's WJRT-TV. The crowd seemed largely sympathetic t Ms. Granholm and were often encouraged to discuss programs they worked on or were involved with.

And at the end of the program, audience members said they found the discussion helpful in understanding the state's problems.

And several expressed worries about how the state budget situation might affect their particular program. Asked specifically whether the state might cut diabetes education programs, Ms. Granholm said those programs, as well as many other programs, were at risk.

And when a community college student said it might actually be cheaper for him to pay out of state tuition than attend either Michigan State University or the University of Michigan, Ms. Granholm said that universities were targeted for cuts in 2003 after those who attended town hall meetings then indicated they wanted to protect K-12 education.

That had created a situation where the state seemed "to be talking out of both sides of its mouth," the governor said, by encouraging more college graduates at the same time it has allowed tuition to increase by a significant amount.

The state could not take care of its problems just through revenues, Ms. Granholm said. Cuts would have to be part of the entire plan. But all the decisions officials would have to make would be hard.

"It makes it very tough, because cuts are really hard, revenue is really hard and reforms are really hard too, but we have to do all three," she said.

She argued that the states that are doing best economically were those that had invested in education and other programs to attract high tech jobs. She also pointed, as she has in the past, to Minnesota which has a much lower unemployment rate and higher overall taxes.

Referring as she has several times to a potential \$3 billion shortfall if the soon-to-expire Single Business Tax were not replaced, Ms. Granholm asked if people would be willing to end all state funding to universities and community colleges, or to cut health care for the low income and release all prisoners, or to make 30 percent cuts to the K-12 student allowances to balance the budget without those revenues. To each question, the audience vigorously said no.

But Ms. Granholm's attempted to gauge the support of the room for her proposed tax on services – expected to raise \$1.5 billion – was foiled by the television host. Just as she was about to ask if the people present would be more willing to cut schools than create a 2 percent tax, the host suddenly asked a Flint-area Realtor to ask questions about how that tax would work specifically.

Ms. Granholm never got another opportunity to frame the question directly to the audience.

But several people in the crowd did support tax increases, saying they felt the state had to provide sufficient services to be competitive with other states. Asked why she did not seek an income tax increase, Ms. Granholm said the service tax helped spread the burden around between businesses and individuals, and she did not want to target only individuals.

She also said creating a graduated income tax or boosting the sales tax rate on goods only would require a constitutional amendment, which would not even get a chance to be approved by voters until 2008, too late for the current crisis.

"How fair is it for a mom who buys a winter coat for her kid to pay 6 percent when if I play a round of golf and don't have to pay anything," she asked in justifying extending the state's tax on service transactions that are currently exempt.

But there were clearly concerns about the tax proposal. The Realtor said he worried that if sellers felt they had to finance the sales tax on a commission along with the real estate transfer tax many would simply refuse to sell their homes.

And a manufacturing company owner said it was becoming increasing difficult to compete against other states "let alone China and India."

# HOUSE G.O.P. ANNOUNCES FURTHER OVERSPENDING CONTROLS

House Republicans, frustrated that Democrats in charge of the chamber haven't acted on legislation implementing changes to how state departments alert the Legislature about overexpenditures in their budgets, on Monday announced their intent to introduce legislation imposing further controls on department spending.

"This \$70 million (estimated overspending from several departments in the 2005-06 fiscal year) is part of the reason we are searching for \$900 million (in the current fiscal year budget," said Rep. Rick Jones (R-Grand Ledge) in announcing his support for the bill to be introduced by Rep. Dan Acciavatti (R-Chesterfield), the top Republican on the Appropriations Committee. "Let's bring accountability back to state government."

While <u>SB 166</u> approves a \$58 million supplement to close out the books on 2005-2006, the departments (State Police, Corrections and Human Services) that overspend their budgets will be received \$49.7 million

The bills has failed to gain the two-thirds vote required for immediate effect because Republicans have held out that <u>SB 184</u>, which imposes the different reporting requirements, has not been tie-barred to the bill as it had been when the Senate voted.

House Democrats have been holding onto SB 166 in hopes that some agreement can be made on immediate effect without having to put the tie-bar back in.

Speaker Andy Dillon (D-Redford Twp.) said Monday that it's not that Democrats are all opposed to the reporting bill, but that in the tight time crunch House members have on the supplemental bill, Democrats didn't feel the requirements were needed. Mr. Dillon also said Senate officials have told him the bill is not ready for enactment into law and so it could not be taken up at this time anyway.

Republicans say they will both push for their bill to be taken up, as well as for the Senate tie-bar to be reinstated.

"It's difficult to even start on a new budget if the appropriations don't stick," said Rep. Paul Opsommer (R-DeWitt). "This is almost the starting point for that."

Like the Senate bill, the House version would institute a June 1 report to the Legislature, removing a quarterly report, for departments on track to spend more than is budgeted.

The House bill would also require departments within five days of any overspending to report that to the Legislature; require the state budget director to take immediate action via hiring freezes and halts on purchases and contracts to stop the overspending as well as institute monthly spending limits for the department and allow the governor to fire any appointed or hired state official who violates the act.

While Governor Jennifer Granholm already has the power to fire those officials, Republicans said the bill would put more teeth into department spending regulations and ensure that department officials were working with the governor and Legislature to keep their budgets in line.



## Dems cut House retiree tab

Health care trim to start on reps elected in 2008

March 6, 2007

BY CHRIS CHRISTOFF

FREE PRESS LANSING BUREAU CHIEF

LANSING -- House Democrats said Monday they would end lifetime health benefits for House members who retire after serving six years, the three-term limit.

The new rules would apply to legislators elected beginning in 2008. It's illegal to rescind existing benefits for state employees.

Democrats control the House and can change rules.

They also would impose higher health insurance co-pays on current members.

The changes are part of a plan to cut \$3 million, or 5%, from the House budget. Some staffers also would be laid off.

"If we're asking our residents to make sacrifices to turn our state's economy around, House Democrats believe we must start with our own House," said Speaker Andy Dillon, D-Redford Township.

Retired lawmakers at age 55 qualify for lifetime health care if they've served at least six years.

Meanwhile, House Republicans called for tougher laws to prevent state departments from spending beyond their budgets. Three state departments spent a combined \$70 million over budget last year without notifying the Legislature.

"We need to hold people accountable when mismanagement occurs," said Minority Leader Craig DeRoche, R-Novi.

DeRoche called Dillon's plan for a \$3-million House budget cut insignificant, but said he would not oppose it. Dillon's plan would not affect the Republican-controlled Senate.

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March 6, 2007

## Mich. House Dems push benefits cut

Proposal to slash health care for certain members of Legislature is part of \$3.5M spending cut plan Gary Heinlein / The Detroit News

**LANSING** -- The 148 members of Michigan's Legislature enjoy a lucrative health plan that provides lifetime coverage for any representative or senator with at least six years in office.

That, however, may end soon. House Democrats want to eliminate the long-held health benefit for future House members and slash medical coverage for current members -- all as part of an effort to cut their own spending 5 percent, or \$3.5 million.

Current members will have a new co-pay of at least \$1,500 a year, the same as for all other state workers and many privately employed Michiganians.

The self-sacrifice also will include a ban on state-funded out-of-state travel for representatives and pink slips for an unspecified number of House staffers.

The cuts were announced Monday by House Speaker Andy Dillon, D-Redford Township, and Majority Floor Leader Steve Tobocman, D-Detroit. Health care coverage reductions will require approval by the full Legislature.

Senate Majority Leader Mike Bishop, R-Rochester, agrees with the idea and plans this week to discuss similar cuts for the 38 Senate members. The reductions lend credence to his argument that there's still plenty of trimming to be done in state spending, spokesman Matt Marsden added.

Amen to that, says Harry Yonkman of rural Cadillac, a retired county equalization director who pays \$300 monthly for Medicare supplementary insurance.

"They work six years and get life coverage; I worked till I was 72 and I'm paying \$300 a month," said Yonkman, who retired five years ago. "I'm not going to have much sympathy for them."

House Democrats want lawmakers to "lead by example" before cutting state services or boosting taxes, Dillon and Tobocman said.

"If we're asking our residents to make sacrifices to turn our state's economy around, House Democrats believe we must start with our own house," Dillon said.

Gov. Jennifer Granholm applauded the idea, noting she customarily cuts her own \$177,000 salary by 5 percent annually.

The House plan would save \$825,000 a year on health coverage, \$1.23 million on staff pay and \$1.45 million on supplies.

The state has more than \$1 billion in budget woes and Granholm is at odds with Republicans over how to solve them.

Senate Republicans want steep budget cuts, period. Granholm's plan includes cuts, new taxes, layoffs of up to 30 State Police patrol officers and the release of 5,500 state prison inmates.

You can reach Gary Heinlein at (313) 222-2470 or gheinlein @detnews.com.

#### Granholm's budget talk

Gov. Jennifer Granholm will appear on WXYZ-TV Channel 7 from 7-8 tonight to explain the state's budget situation and to talk about her approach to solving it.

This is one in a series of televised presentations Granholm is making at stations across the state.

Return to regular web page